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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Energy, Economic Development, and Tourism
and
Senate Committee on Commerce, Consumer Protection, and Health**

Monday, February 11, 2019

2:45 p.m.

State Capitol, Conference Room 414

**On the following measure:
S.B. 1241, RELATING TO ENERGY DATA**

Chairs Wakai and Baker and Members of the Committees:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department supports bill.

The purpose of this bill is to permit the Department of Business, Economic Development, and Tourism to share energy data with the Department of Health for purposes of regulating greenhouse gas emissions.

Since the passage of Act 234, Session Laws of Hawaii 2007 and finalization of greenhouse gas emissions rules in Hawaii Administrative Rules section 11-60.1-201 *et seq.*, the Department of Health has been the lead state agency for, and critical to, the State's efforts to control greenhouse gas emissions and combating the resulting threat of climate change and sea level rise. To fulfill this important role, the Department of

Testimony of DCCA

S.B. 1241

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Health should have access to the best available data on greenhouse gas inventory reporting, as provided for in sections 2 and 3 of this bill.

Thank you for the opportunity to testify on this bill.



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DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the

**SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
AND COMMERCE, CONSUMER PROTECTION AND HEALTH**

Monday, February 11, 2019
2:45 PM
State Capitol, Conference Room #414

In consideration of
SB 1241
RELATING TO ENERGY DATA.

Chairs Wakai and Baker, Vice Chairs Taniguchi and Chang, and members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) **supports** SB 1241, which permits DBEDT to share energy data with the Department of Health (DOH) for the purposes of regulating greenhouse gas emissions.

DOH is the primary agency with regulatory oversight of Hawaii's Greenhouse Gas (GHG) emissions and compliance with Act 234, Session Laws of Hawaii, 2007. Act 234 requires that by January 1, 2020, Hawaii's GHG emissions be reduced below 1990 levels as estimated by DBEDT. To create this estimate DBEDT was privy to confidential information about Hawaii's fuel supply chain included in the energy data collection program outlined in Section 486J-5.5, Hawaii Revised Statutes (HRS). Without this data, DOH is unable to comply with its statutory requirement under Section 342B-72, HRS, and Section 11-60.1-204(k), Hawaii Administrative Rules, to provide an annual evaluation of progress to achieve the statewide greenhouse gas emission limits in accordance with the method used by DBEDT to prepare the 1990 gas emissions estimates set out in Act 234.

To this end it is essential for "greenhouse gas emissions inventory reporting" to be added to the list of activities supported by the energy data collection program, and for DOH to be added to the list of state departments that have access to the corresponding database.

Thank you for the opportunity to testify.



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**Testimony in SUPPORT of SB1241
RELATING TO ENERGY DATA**

SENATOR GLENN WAKAI, CHAIR
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
SENATOR ROSALYN H. BAKER, CHAIR
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
Hearing Date: February 11, 2019 Room Number: 414

1 **Fiscal Implications:** None.

2 **Department Testimony:** The Department of Health (Department) supports this bill that would
3 allow the Department of Business, Economic Development and Tourism (DBEDT) and the
4 Public Utilities Commission (PUC) to share energy data in its original form with the Department
5 and its authorized representatives in order to develop the most accurate estimates of statewide
6 greenhouse gas (GHG) emissions.

7 Chapter 342B-71, Hawaii Revised Statutes, specifies a statewide GHG emissions limit of
8 equal to or below the 1990 level by 2020 as part of Hawaii's commitment to reduce its
9 contribution to climate change. State measures to implement reductions include GHG emission
10 caps specified in state rules for large stationary sources. In accordance with §11-60.1-204,
11 Hawaii Administrative Rules, the caps would no longer apply if the statewide GHG emissions
12 limit is met prior to 2020 and projections indicate ongoing maintenance of the limit. The
13 accuracy of emission estimates for compiling statewide GHG inventories of emissions and sinks
14 (GHG removals) is critical for determining progress relative to the statewide limit, whether
15 emission caps would apply to the affected sources, and if the 2020 goal has been met.

16 The current statute prohibits DBEDT and the PUC from sharing energy data in its
17 original form with the Department and its authorized representatives. This data must be
18 aggregated by DBEDT to protect proprietary information or processes prior to sharing it with the

1 Department. The emission calculations from the aggregated data have a higher degree of
2 uncertainty than calculations using the original data which makes it difficult for the Department
3 to ascertain the accuracy of the inventories and the progress made relative to the state's GHG
4 reduction goal. Access to the energy data is essential since the energy sector is responsible for
5 approximately 90% of the statewide GHG emissions. Acquiring the energy data in its original
6 form would reduce uncertainty and enable the development of higher quality, more defensible
7 statewide GHG emissions inventories that will serve as the basis for decision making and
8 provide direction in future GHG reduction efforts.

9 **Offered Amendments:** None

10 Thank you for the opportunity to testify on this measure.

SB-1241

Submitted on: 2/9/2019 8:56:49 PM

Testimony for EET on 2/11/2019 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Individual	Support	No

Comments:

SB-1241

Submitted on: 2/10/2019 2:24:54 PM

Testimony for EET on 2/11/2019 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments: